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NEWS RELEASE

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Judgment Entered Against Promoter of Commodities Investment Scheme

Promoters took investor funds, claiming they would trade foreign currencies ...

SALT LAKE CITY, Utah – Federal District Judge Dale A. Kimball entered a default against Ronald K. Bassett of Lindon, UT on September 21, 2007 after Bassett failed to defend himself in a lawsuit by the Commodity Futures Trading Commission (CFTC) and the Utah Division of Securities.

The lawsuit was filed on May 2, 2002 against Alpine-based 4NExchange and its two principals, Paul R. Grant and Ronald K. Bassett. The lawsuit alleged the defendants illegally offered investments in foreign currency futures contracts and operated a Ponzi scheme that took in \$14.7 million from as many as 100 investors. Investors were led to believe that their money would be used to earn high profits by trading foreign currencies. Instead, the CFTC and the Division alleged that most of the investor funds were used to pay purported profits to investors, to pay business expenses of the company, and to pay more than \$500,000 to Grant and Bassett. At most, \$200,000 of the customer funds were invested.

On May 13, 2002, the federal court entered a temporary restraining order enjoining the defendants from violating federal commodities laws and state securities laws and freezing the assets of defendants. A receiver was appointed on June 4, 2002 and the receiver has been liquidating assets of the company to repay investors.

Criminal charges were later filed against Grant. On July 23, 2003, Grant pled guilty to conspiracy to commit fraud. He was sentenced to five years in prison and ordered to pay \$18,645,121.89 in restitution.

Investors are urged to contact the Division to make sure anyone offering investments is licensed. 801.530.6600, or toll free at 1.800.721.7233. www.securities.utah.gov.